

The Hong Kong

No. 1187

號七十八百一十五第

日九十月五年戌甲治國

HONGKONG, THURSDAY, 2ND JULY, 1874

Arrivals.

July 1, May, British schooner, 237, Plumb
Newcastle, N.S.W., May 8th, Coals—
Aug. H. & Co.
July 1, EMERALD, Russian ship, 946,
Casagino, from Macao, Ballast—
P. & Co.
July 1, KWANGTUNG, British steamer,
Pitman, Foochow 28th June, Amoy 21st
and Swatow 30th, General—D. LA
PRAK & Co.

Departures.

July 1, OLYMPIA, str., for Shanghai.
July 1, Yesso, str., for East Coast.

Clearances.

At the Harbour Master's Office.
July 1st.
Walpola, for Manila.
Olympia, str., for Shanghai.

Passengers.

ARRIVED.
Per Kwangtung, str., from East Coast—
Messrs. Angus, Shaw, and Co., 2 Europe
dock and 11 Chinese.
DEPARTED.
Per Yesso, str., for East Coast—
10 Cabin and 200 Chinese.

Reports.

The British steamship Kwangtung re-
turned from Foochow on 28th June, Amoy on the
29th, and Swatow on the 30th. Experienced
monsoon and calm to Swatow; from then
arrival moderate monsoon and fine weather.
The steamship Sirius left Foochow the
day the str. Kwangtung arrived, and the str.
Crocus was on the point of leaving the day
the Kwangtung left. The steamers left in
show were the Montenegro and the str.
and H.M.S. Kestrel. In Amoy, H.M.S. H.
Grosvenor, U.S. gun-boat Albatross, and the
cruiser Ling-fo, also the str. Yuen-tai,
Formosa, Maenta, and Douglas, which
steamer, left for Foochow on the afternoon
of the 29th. In Swatow left the str. Europa
and Rajah; and a steamer at 4 a.m. yesterday
morning of Chelang Point, bound North.

FOOCHOW SHIPPING.

ARRIVALS.
(From Hodge & Co.'s Weekly Shipping Report.)
Pogoda Anchorage, 27th June.
June 20th, Mangerton from Obafo, 2nd.
Esperance from Bangkok, H.L.M. gun-boat
Moshinkan from Amoy, 22nd, Luss of Gavier
from Newcastle, N.S.W., str. Dragon from
Shanghai, 23rd, Annie Mabel from Shanghai,
Constance from Amoy, Adele from Shanghai,
24th, str. Kwangtung from Hongkong.
DEPARTURES.
June 21st, str. Mongol for London, 21st, str.
Yesso for Hongkong, str. Amoy for Australia,
23rd, str. Galien for London, 24th, str. Sirius
for London, 25th, First Bismark for Tientsin,
H.L.M. gun-boat Moshinkan for Amoy.

Vessels Expected at Hongkong.

Vessel's Name	From	Date
Deonum	Cardiff	Jan. 15
Alejandro	New York	Feb. 10
Frances	Shanghai	Feb. 19
G. T. Pearson	Cardiff	Feb. 22
Arman	London	March 3
Warrior	Liverpool	March 3
New Republic	New York	March 4
Churmer	Liverpool	March 9
Everhard	Newcastle	March 10
J. Christian	Hamburg	March 11
F. M. Thayer	Cardiff	March 19
Lathley	Cardiff	March 21
Atlantic	Penarth	March 21
Star of China	Swansea	March 22
J. Christian	Cuxhaven	March 24
Dan	Cuxhaven	April 5
Taiting	London	April 6
Comet	Cardiff	April 7
Cleopatra	Penarth	April 8
Morning Light	Penarth	April 16
North American	Liverpool	April 20
Melbrek	London	April 26
Glamis Castle	Glasgow	May 9
Sir Harry Parkes	London	May 10
W. G. Platten	Cardiff	May 12
Ajax (a)	Liverpool	May 14

Auction Sales To-day.

J. N. ARMSTRONG.
At 12 noon.
Sundry Goods, &c.

VICTORIA BOY'S SCHOOL.

PUPILS trained with great care; CHAR-
LES' EDUCATIONAL COURSE in use.
\$3.00 a month each pupil.
N.B.—Can be received as boarders at mo-
derate rates.
LESSONS in ENGLISH and FRENCH by
J. M. HANLON,
No. 5, Hollywood Road.
In 976 Hongkong, 23d June, 1874.

HONGKONG AND CHINA GAS COM- PANY, LIMITED.

NOTICE.

THE Transfer Books of this Company will
be CLOSED from the 22nd instant to the
5th proximo, both days inclusive.
A. NEWTON,
Manager.
26d 910 Hongkong, 11th June, 1874.

KRUPP'S CAST STEEL WORKS.

ESSEN (GERMANY).
SOLE AGENT FOR CHINA AND
JAPAN.
F. FEIL,
1671 Hongkong, Shanghai, Cologne (Germany).
NOW READY.

THE HOUSEHOLD COMPANION

AND
STUDENT'S FIRST ASSISTANT.
By Dr. DWAN, with many Additions, Corre-
ctions, and Dr. WILLIAMS' Orthography.
PRICE: In Paper Wrappers, ... \$1.50
Neatly Bound, ... \$2.00
Apply at the Daily Press Office.

THE UNDERSIGNED begs to inform the
Public of
HONGKONG, HO NAM, AND CANTON
that he has shops established at those places in
the name of HING KEE.

In HONGKONG, at the Central Market,
No. 12, he has constantly on hand BEEF,
MUTTON, POULTRY, BREAD, VEGE-
TABLES, and OILMAN'S STORES, &c., of
the best quality.

In HO NAM and CANTON SHOPS, the
foregoing articles, with the addition of SPI-
RITS, SODA WATER, &c., and GAME when
in season.

Gentlemen and Families desirous of patron-
izing him, are requested to apply at his shops
as above, where a list of prices of articles will
be furnished, which will be supplied at the same
rate all the year round.

HING KEE.

1742 Hongkong, 13th May, 1874.

OFFICE OF THE CHINA TRADERS'
INSURANCE COMPANY, LIMITED.

NOTICE TO CONTRIBUTORS.

A DIVIDEND of 25% on two-thirds
(2/3rd) of the profits of the Company for
the twelve months ended 30th October last, has
this day been declared, to ALL CONTRI-
BUTORS of business during the year.
Warrants can be had of the Office of the
Company on application.
AUGUSTIN HEAR & Co.,
General Agents,
1523 Hongkong, 6th April, 1874.

Banks.

COMPAGNIE D'ESCOMPTE DE PARIS.

INCORPORATED by National Decrees of
7th and 8th March, 1848, and by Imperial
Decrees of 25th July, 1854, and 31st December,
1866.
RECOGNISED BY THE INTERNATIONAL CON-
VENTION OF 30th APRIL, 1863.

PAID-UP CAPITAL, 80,000,000, 3200,000
RESERVE FUND, 20,000,000, 800,000

HEAD OFFICE.—14 Rue Burgere, Paris.

AGENCIES.—At Nantes, Lyons, Marseilles,
Roubaix, Brussels, Alexandria, Bombay, Cal-
cutta, Hongkong, Shanghai, Saigon, Saint
Denis (Reunion), and Yokohama.

LONDON BANKERS.—UNION BANK OF LONDON.

HONGKONG AGENCY.

Interest Allowed.
On our deposit accounts at the rate of
2% per annum on the monthly minimum bal-
ances; 4% subject to 15 days' notice of with-
drawal; and 5% subject to one month's notice.

On Fixed Deposits.
For 3 months 3% per annum.
" 6 " 4 " " "
" 12 " 5 " " "

A. PHILIPPE,
Acting Manager.

Offices in Hongkong: Bank Buildings,
Queen's Road.

773 Hongkong, 2nd June, 1873.

THE ANGLO-CALIFORNIAN BANK,
(LIMITED.)

312, CALA ST., SAN FRANCISCO, CALIFORNIA.

London Office, 3, Angel Court.

New York Agents, J. & W. SELIGMAN & Co., 21,
Broad Street.

AUTHORIZED
CAPITAL STOCK, \$5,000,000.

WILL receive Deposits, open Accounts,
make Collections, buy and sell Exchange
and Bullion, loan Money, and issue Letters of
Credit available throughout the world.

FRED. FLOW,
IGN. STEINHA.

HONGKONG & SHANGHAI
CORPORATION.

PAID-UP CAPITAL, 1,000,000.
RESERVE FUND, 200,000.

On Current Accounts, 4% per annum on the
per cent. per annum on the

On Fixed Deposits.
For 1 month 2% per annum.
" 3 " 3 " " "
" 6 " 4 " " "
" 12 " 5 " " "

LOCAL BILLS DISCOUNTED.

Credit granted on approved Securities and
every description of business and exchange
business transacted.

Drafts granted on London, and the chief
commercial places in Europe, India, Australia,
America, China and Japan.

JAMES GREIG, Chief Manager.

Offices of the Corporation,
No. 1, Queen's Road East,
Hongkong, 16th February, 1874.

DISSOLVED PERUVIAN GUANO

PREPARED BY
OHLENDORFF & CO.,
LONDON, ANTWERP, HAMBURG, AND
EMMERICH-ON-RHINE.

GUARANTEED TO CONTAIN
Nitrogen equal to 10 per cent. of Non-Volatile Ammonia.
20 " Soluble " " " " "
4 " Insoluble " " " " "

THIS Manure is prepared from genuine Per-
uvian Government Guano. The result of its
special treatment is that the Ammonia is fixed,
the Phosphates in the Raw Guano rendered
soluble, and the Manure brought into the con-
dition of a free dry powder.

It loses nothing from exposure to the atmo-
sphere, or to the heat of the sun. It is offered
to the farmer with a Guarantee of its com-
position, and is, in fact, the richest and, considering
the quality, the cheapest Guaranteed Manure
at present in the market. Its fertilizing prop-
erties are such as will enable the consumer to
derive the greatest economical advantage from
the use of Guano.

APPLICATION OF DISSOLVED PER-
UVIAN GUANO TO COLONIAL
PRODUCE.

SUGAR CANE.—Dissolved Peruvian Guano
produces strong and succulent canes, rich in
crystallizable sugar, without detriment to the
productive power of the land. From 3 to 4
cwt. of Dissolved Peruvian Guano per acre is
a good dressing for Sugar Cane.

INDIAN CORN.—Three to 4 cwt. of Dis-
solved Peruvian Guano per acre exercises a
powerful effect upon Indian Corn, and largely
increases this crop.

RICE.—We should strongly recommend the
use of 2 to 3 cwt. per acre for Rice, for, al-
though irrigation is generally solely relied
upon as a means of procuring a good crop of
Rice, there can be no doubt that, in addition to
irrigation, 2 or 3 cwt. of Dissolved Peruvian
Guano per acre will be highly beneficial.

TEA.—Judging from the limited experience
at our command with regard to the manuring
of Tea plantations, we confidently recommend
it to planters, whose reports we shall be glad
to receive.

COTTON.—The yield of Cotton has of late
years been greatly increased by the use of arti-
ficial manures, containing a fair proportion of
ammonia and much soluble phosphate of lime,
potash, and other alkaline salts. Dissolved
Peruvian Guano meets the requirements of the
Cotton plant, inasmuch as it furnishes all the
elements of fertility which are calculated to
promote the luxuriant growth of the same. If
the increase in quantity be made the chief object,
4 to 5 cwt. of Dissolved Peruvian Guano per
acre will prove most advantageous; but if
greater care be given to the fine quality of the
Cotton, the use of 2 to 3 cwt. of Dissolved
Peruvian Guano, together with 2 to 3 cwt. of
mineral superphosphate, per acre, will be found
to answer better.

OHLENDORFF & CO.,
OFFICES—110, FENOBURCH STREET,
LONDON, E.C.

WORKS—AT ELAISTON (NEAR VICTO-
RIA DOCK), LONDON, E.C.

N.B.—In applying Dissolved Guano, and, in-
deed, all concentrated Artificial Manures, it is
desirable to mix them with about twice their bulk
of dry earth, sifted vegetable ashes, or similar
substances, so as to secure an even distribution
of the manure, and to prevent its coming into direct
contact with the seed.

IT SHOULD ALWAYS BE KEPT DRY TO AVOID
LOSS.

For further particulars, apply to
MEYER, ALABOR & Co.,
Hongkong.

1511 Hongkong, April 2nd, 1874.

THE TOURIST'S GUIDE—
REDUCED PRICE \$1.

Containing the names of all the Articles of
Trade, objects of Natural History, Furniture,
&c., &c., with the Pinyin and Mandarin Pronun-
ciation.

Also a few copies of the GRAMMAR of the
Chinese Language, in two Parts.

Daily Press Office.

To be Let.

TO LET,
With immediate possession.

THE HOUSE No. 77 Aberdeen Street. Wa-
ter and Gas laid on.

Apply to:
A. I. ALVES.

Hongkong, 15th June, 1874.

TO LET,
From 1st June next.

ROOMS in Hunt's Building, Peddar's
Wharf. Apply to
LAMBERT, ATKINSON & Co.

1433 Hongkong, 19th May, 1874.

TO LET AT MACAO!

FOUR Well furnished ROOMS (including
a Piano) in a good locality. Rent mo-
derate. Address "E. S." care of the Daily
Press.

4d 1010 Hongkong, 29th June, 1874.

TO LET,
With possession on the 1st July.

BOULDER LODGE, as a part in the oc-
cupation of C. S. SHERWOOD, Esq.

Apply to:
G. FALCONER.

1833 Hongkong, 20th May, 1874.

TO LET,
HOUSES Nos. 2, 4, and 6, in Hollywood
Road, lately forming part of the "Hotel
d'Europe." Apply to:
DAVID SASSOON, SONS & Co.

1733 Hongkong, 19th May, 1874.

TO LET,
THE PREMISES situated in Queen's Road
Central, known as the "CROWN AND
CROWN TAVERN." Apply to
GILMAN & Co.

1834 Hongkong, 23rd June, 1874.

TO LET,
A SPACIOUS GODOWN on the Po
Central.

Apply to
THOS. G. GLOVER.

1m 991 Hongkong, 25th June, 1874.

TO LET,
With immediate possession.

NO. 103, Queen's Road, OFFICE
DWELLING HOUSES.

DOWN at 103, 1st 33, 1st 33, 1st 33.

TO LET,
Two Rooms, No. 1, Queen's Road East.

Apply to:
A. MILLAR & Co.,
Plumbers, &c.

1874 Hongkong, 4th June, 1874.

TO LET,
With Possession on the 1st of March.

THE BUSINESS PREMISES and Dwelling
HOUSE on Queen's Road, at present in
the occupation of Messrs. LAMBERT, ATKINSON
& Co. Apply to
ROBT. S. WALKER & Co.

1874 Hongkong, 6th January, 1874.

TO LET,
ONE GRANITE GODOWN at Wanchai.

Apply to
S. E. BURROWS & SONS.

1874 Hongkong, 10th April, 1874.

TO LET,
(Furnished if required.)

A THREE-STORY Comfortable HOUSE
in a respectable locality, Hollywood Road,
having Nine Rooms, and a fine view of the
whole Harbour. Rent moderate. Address "A,"
care of this paper.

1874 Hongkong, 16th June, 1874.

ROSE & Co. having LEASED THE NEW
BUILDINGS next the HONGKONG HO-
TEL, their present Premises, corner of Well-
ington and Pottinger Streets, will be TO LET
from 1st July next. For Terms, apply to
ROSE & Co.

1874 Hongkong, 26th May, 1874.

TO LET,
With Possession on 1st May.

THE OFFICE now occupied by the HONG-
KONG AND CHINA BAKERY Co.
Apply to the
HONGKONG DISPENSARY.

1874 Hongkong, 6th April, 1874.

NOTICE.

ON and after this date the undermentioned
Local Insurance Offices will charge the
following Rates of Premium per Steamer via
Suez Canal, being those now current in London.

W.A.F.P.A.

HANKOW TO LONDON:—
Tea per Mail Steamers, 24 2
Tea per all other Steamers, 34 22

SHANGHAI OR FOOCHOW TO
LONDON:—
Tea per Mail Steamers, 24 14
Tea per all other Steamers, 3 34

SIX per Mail Steamers, 12 14
Tea per all other Steamers, 22 2

CANTON WATERS TO LONDON:—
Tea per Mail Steamers, 12 14
Tea per all other Steamers, 24 2

SIX per Mail Steamers, 12 14
Tea per all other Steamers, 2 14

AMOY TO NEW YORK:—
Tea per Steamers, 24 2

JARDINE, MATHESON & Co.,
General Agents, Canton Insurance Office.

N. J. EDE,
Secretary, "Union Insurance Society of
Canton."

For "The North China Insurance Company,"
REGINALD D. STARKIE,
Agent.

1874 Hongkong, 16th May, 1874.

NOTICE

P. & O. S. N. Co.

(STEAM TO SOUTHAMPTON via SUEZ
CANAL.)

COMMENCING with the NIZAM, leaving
Shanghai with the Homeward Mails on
the 31st May, and Hongkong, 6th June, the
Mail Steamers of this Company will proceed
direct to Southampton and London via the Suez
Canal until further notice.

A. McIVER,
Superintendent.

624 Hongkong, 24th April, 1874.

A. S. WATSON & CO.,
CHEMISTS AND DRUGGISTS

TO
H.R.H. THE DUKE OF EDINBURGH

AND
H.E. THE GOVERNOR.

BEQ to announce that they have just re-
ceived a Choice Assortment of
PERFUMERY and TOILET REQUISITES.

1874 Hongkong, 19th June, 1874.

Auctions.

PUBLIC AUCTION.

THE Undersigned will sell by Au-
ction, THIS DAY

the 2nd July, 1874, at Noon, at
Queen's Road—

One SHERRY
PORT WINE
VERMOUTH
OLIVET
GIN.

Glass Fancy VASES, and LUSTRES
Clothes HOOKS
Assorted LOCKS
PEN-KNIVES
SCISSORS

Shoe BRUSHES
BLACKING
Italian CLOTH
NEL HANDKER

An Invoice
1 CHRY
1 RIF

Sundries

THE Undersigned, having been appointed
Agents in Hongkong for the above Com-
pany, call SPECIAL ATTENTION OF
SHIPPERs to the low rates of premium
charged for all steamer risks, besides which a
Brokerage of THIRTY-THREE AND ONE-
THIRD PER CENT. (33 1/3%) will be allowed
on risks to ports in China, Japan, the Philip-
pines, and the Straits. On risk to all other
ports the Brokerage will be FIFTEEN PER
CENT. (15%) only.

By order of the Trustees of
LINDSAY & Co.'s Estate
JOHN ASHTON.

1874 Shanghai, 22nd April, 1874.

THE SECOND COLONIAL SEA AND
FIRE INSURANCE COMPANY OF
BATAVIA.

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pany, call SPECIAL ATTENTION OF
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CENT. (15%) only.

By order of the Trustees of
LINDSAY & Co.'s Estate
JO

The stock of Malwa opium in Bombay on the 29th ulto, was 800 chests.

Shipments of silk by the English mail steamer from Shanghai have been 2,300 bales.

The steamer *China* from this port is reported to have arrived at Shanghai on the 29th ulto.

Shipments of Malwa opium from Bombay, per mail steamer, have been for Hongkong 1,300 chests, and Shanghai 400 chests. Prices were Cash Rs. 1,300 per chest, and credit Rs. 1,350 per chest.

get to hear that the trip, which
Smith has taken to Japan
had the effect of recruit-
ing still in a very unsatis-
fying way back in "the
Far East."

He thought the case presented a narrow and well-defined question. He would draw the attention of the jury particularly to the allegations in the petition, for they were there to try the case as presented to the Court, and they would see that the two chief points alleged had fallen through, and that the case was resting upon something in the evidence, supposing it could be established, against the defendants. This was an action in the nature of what need be known as a common law action for deceit, and arose from the result of the working of a very well known process of law. If a company, through its officers, put forth to the public or directly communicated to any individual any false statements of the affairs, and might induce him to enter into a contract to perform any work by means of the false misrepresentation, and to keep any loss as soon as he has found out that he had been

deranged by the company was a man who had obtained by fraud, and he would not carry out. That principle of law was the foundation of the present proceedings. But if in consequence of subsequent events, the person could not get rid of his contract, then another principle of law came in and said that although the parties who had personally deceived him had not obtained any benefit from their own acts, he should be at liberty to recover all losses through the false misrepresentation. It was under an allegation of circumstances similar to that that they were engaged in that case. The fraud with which the defendant must be charged must be an actual mis-statement. A man was not to be charged for misrepresentation if he misstated something at too high a figure. But if he stated that something was which was not, and the effect of that was to cause a loss, then he was liable. So, in this case, the misrepresentation having been made for the purpose of misleading—then he was guilty. Not only did it require an actual mis-statement of facts, but the party making the statement must know that it was false, or else it must be proved that he had full means of knowing the fact, and if he did not know, he was guilty of culpable negligence. But not only must it be taken as fact but as a consequence of fact. Unless there was a legal conclusion of it was not sufficient to make him culpable. If the jury found in this case that there was a failure to disclose some fact, and nothing more, however wrong the defendants might have been morally, they could not be held liable for actual misrepresentation. The learned attorney-General then said that he was of the fact that the jury knew the parties better perhaps than they did, and he was not to say anything about their position. He would refer to their Articles of Association. As a general rule, when the affairs of a company were managed by a board of directors, such a fact was generally stated in the Articles. He quoted from the Articles of the Distillery Company to show that the General Manager had in this instance to perform the duties generally cast upon directors of companies. He had never seen articles like these. The directors instead of being, as they ought to be, the controlling body and executive committee of the shareholders, were merely there as it were as a

commitment of advice, with no power to do anything that the general manager chose to do. That fact must form a very material element in considering whether his client, supposing he had done anything wrong, could be charged under these documents. The Company was incorporated in 1870. Its business was defined in the 4th article, where, among other things, it was stated that they should lease for a period of twenty years from Mr. McGregor Smith, a piece of land at \$2,261 for the first two years. They found that they could not go on without purchasing the land, and it turned out that they had purchased it for a much larger sum of money than they could sell it for. He thought that their starting in that way had been one of the main reasons of their want of success, and that it had been unsuccessful was patent to them all. The Company, having purchased inefficient stills which required repairs, were obliged to stop work for some time in 1872, when they purchased a larger distilling apparatus, which came into use early in 1873. It is probable that date it looked as if the affairs of the company would take a turn for the better, and that they would be able to weather the storm, and eventually turn out successful. But when distilling about twice times the quantity they were doing previously, and at a much smaller cost of production, in fact the quantity was so large that a very small margin would have been sufficient to go round their manufacture to pay back their expenses. When they got to 1873, it was of the utmost importance to them to distil a better class of liquor at a lower price, and in larger quantities than before, and to be able to do before, and it was probable that they thought it would be wise to purchase larger quantities of stills. When the Company was organized, it was understood that it was to work with the Refinery, in connection with the latter had a Distillery, so that there have been people employed all at work, and on that the recording-connection with the Refinery, and the

plaintiff's petition. This document was removed by saying that on the 24th February, 1873, a report was published for general information under the sanction and by direction of the directors bearing the signature of the general manager, Mr. Torrey. Now there was not a particle of evidence on that point, it had not been shown that any of the directors even saw it, and it was clear from the minutes that it was never adopted at any meeting of the directors and no meeting gave sanction to it or gave directions for its publication. Under the Articles the directors would have been going on their way to do this if it had been the duty of the directors to do so. The jury would next see that there were no charges of fraud against defendants in the petition. It stated that at that time the Company had incurred losses more than their capital, and that the balance sheet was misleading. He denied, upon the evidence before the court, that at the 31st December the Company had actually incurred losses more than the whole of its capital, and his proof of this assertion was Mr. Linstead's statement. That gentleman had told them with great fairness, that he estimated, on the 31st August, 1873, a loss to the Company of \$106,000, and that the capital account was \$95,000. So that at that time he estimated that over the capital was \$14,000 only, and in order to make up that he took 50 per cent. off the cost price of things. They were, therefore, entitled to take as value of those goods in December their actual cost and taking that a very small margin left to represent the capital. So the jury would see that the report and balance sheet were not, therefore, entirely false and misleading and yet that was the sweeping statement with which defendants were charged. Mr. Linstead was obliged to admit that the balance sheet was not one of value, but of expenditure; therefore the plaintiff was mistaken in asserting that in entering charges at their cost price the directors had done so with the intention of over-estimating their value, and it must be an intentional over-estimate before it was culpable. Mr. Linstead had said the things were put down at their cost price, how then could that be a gross over-estimate of the value of the stock? The item of preliminary expenses was gone, and they then came to shipments retained not received. It had been shown that that was correctly extracted from the books, except in the case of one item of account sales not to hand, which could be satisfactorily explained. And yet defendants were charged with putting forward these figures as tending thereby to mislead and deceive. He was sure that that was not the case at all events. The plaintiff could not impugn the balance sheet. What he did impugn was the report, and that was not the case they had made out. The petition charged them with making out a false balance sheet, but the evidence had not shown that, and after Mr. Linstead's evidence it was impossible to impugn these figures. He put it to the jury as men of business that it was absolutely impossible for them to say that the entries in the balance sheet were false; and, if they were, it must be shown that they were made intentionally false for the purpose of misleading before the plaintiff could make out its case in the progress of his case. That part had been done, and he thought that the plaintiff could not impugn the balance sheet. The evidence, and he thought Mr. Hayilar would have to admit it, was an omission in the report of sales of which the results were known, but of which the accounts were not to hand, and that was a matter which was not pointed out in the petition.

The Court then adjourned for an hour, after which,

The Attorney-General continued his address. He said he was pointing out that the fraud charge against the defendants had failed, and he again alluded to Mr. Linstead's evidence and its result. The next material statement in the petition to which he would refer was that a report was made by the directors and was furnished by the defendants to the plaintiff. Now, if they had done so, and if the balance sheet and report could be held to be a misrepresentation, he would not have been addressing the jury that day. If plaintiff could show that Mr. Juck had handed him a copy of the balance sheet for the purpose of inducing him to come into the subsequent arrangement, plaintiff could not have gone to the jury with a better account than he did now, because there would have been no question about the

Mr. Loring between him and defendants. What Mr. Loring would rule he could not say, but the learned Attorney General contended and urging that to be held liable for a misrepresentation to any person it must be shown in some way that it was made to that man, for merely dropping a thing about the street for anyone to pick up would not be sufficient. Plaintiff must show that he had it directly from the defendants. In the 17th paragraph of the petition it was stated that about the time of reading the letter of the 11th March plaintiff had an interview with Jack, who he said stated that the concern was solvent and prosperous. Now, that was very similar statement, considering all the jury already knew of the facts on which it was based. Plaintiff, it appeared, was in the habit of employing Jack, and was in the habit of asking him how the business was getting on, and of course he replied in an off-hand manner that they had got new markets and he believed they would pull through. Now were those mis-statements? Supposing such statements by any common man, they were sufficient to fix a man in any ready, they were not sufficient in this case. It must be shown that Mr. Jack, when he made that statement, made it in special reference to the chance of contract for the supply of molasses, and for the purpose of inducing plaintiff to enter into it, and that he went out of his way to detail to plaintiff facts relating to the Company which it was not his business to do. Mr. Jack would tell them about that interview, and he would state that there was not a single word said about the letters that had passed. Plaintiff could not bring himself to say that he had made enquiries in reference to them, and he didn't, there was no connection between that conversation and the contract. He (the learned Attorney General) did not think it necessary to labour that but very much, because he was perfectly satisfied that unless the plaintiff could recover on the strength of that report, anything that took place at that interview would not help him one bit. If that sort of conversation was to be looked at as plaintiff wished them to look at it, people in this colony would find it to their advantage to hold their tongues and never ask anything whatever about the most trifling matters. Mr. Haylar had felt that he could not rest upon that interview, and had therefore said that the whole thing was contained in Grey's letter of 11th March, enclosing the resolution about the payment by the six months' bills. Upon the words it contained the jury were to be asked to hardly know what, but they were to interpret them as misstatements, some facts, and the other two facts, misstatements, were that the capital of the Company was too small for its business, and the other was that the most of the stuff was to be sold in foreign markets. It thought he would be able to satisfy them that those statements were perfectly true. He now came to another paragraph of the petition, which stated that plaintiff had not agreed to any alteration in his bills except for the reports and the balance and the conversation with Jack. Now, whether there was any fraud or misstatement, and it was to be had principally from himself. That they were not to be asked to do not look they would

...ing's opinion ... report longer ... wrote the longer ... on the 11th March, and it was equally clear that it was not Jack's opinion, because he was actually receiving slips of papers with calculations, and he knew perfectly well what was going on in the Distillery. And yet he would have them believe that he had only a general idea that it was not very solid, and that idea was totally dispelled by Jack's opinion. But plaintiff was a shrewd man of business, and seemed to have trusted to Mr. Greig's opinion, and he (the learned Attorney General) would be strangely surprised if that was not the impression the jury must form. Referring to the third issue, the learned Attorney General said the jury must be prepared to show that the loss of the money was the result of defendants' misrepresentation, because if they thought that any other circumstances in the relations between the parties had caused the loss they must give defendants their verdict. They had first to establish the act complained of and then fix the damages. He then went on to state that if they had been supplied with the material for carrying on their business, they believed there would have been no loss eventually, and they would have paid their bills. He was not making this statement merely on some vague hypothesis but he would show them what had been the out turn of two months' working in the present year. They had it in evidence that the price in the London market had risen to 2s. 4d. a gallon. He was now instructed that a quantity had been manufactured recently at 27 cents a gallon. The Distillery had supplied the molasses and had taken payment in rum at 50 cents a gallon, so that against the London price there was a margin of about 20 cents a gallon. That margin would pay expenses and leave some thing handsome towards paying interest &c. So that if they had been allowed to carry on the works, they would have been able to pay plaintiff's bills as they became due. If the jury found that to be the case, and believed that the act of plaintiff himself caused the stoppage of the works, he must attribute his loss to the stoppage, and not to the defendants. Now the question was, was Jack liable; and if he was not liable he did not think the others were. He again touched upon the alleged misrepresentation, and referred to two entries which had not been made. The jury would know whether they should have been made, even as instructed that they should not. But, even admitting that, it was not alleged that the omission had been made by his client; and if he was wrong in not directing the general manager to make the entry that was the extent to which he was liable. If they thought it should have been inserted in the report, they would find it necessary still to make that report defendants'. There was, as he had already said, no reference to it in the minutes, and it was never adopted, nor he believed ever sanctioned by the directors. The question throughout was a matter of good faith with the directors, and they would tell the jury what actually took place in reference to the report. Whatever knowledge his client might have had of it would not fix him with any liability unless it had been his duty to write it. It was not the report of the directors, it was written by the manager, was addressed to the directors, was taken before a general meeting of the shareholders, and after considerable discussion adopted by them. That would show the jury how impossible it was to allow Mr. Whittall to come forward and attempt to fix defendants with the responsibility of that document. It showed the soundness of that principle for which he contended that in order to make a report of directors a representation to any outside person, he must in some way show that he received it from them. But here it was not the directors' report. The learned Attorney General then quoted a clause where the directors of a banking company issued a report declaring a dividend of 5 per cent, and made a large addition to the reserve fund, and at the time it was issued the company was insolvent. It was given in evidence that there was no willfulness on the part of the directors, and the judgment was that it did not constitute a misrepresentation. If his client in this case had done anything wrong he had done it in ignorance. After some other observations, the learned Attorney General concluded by stating that if the jury thought the loss was more due to the stoppage of the works in consequence of the non-delivery of the molasses than to any change in the contract, then the defendants could not be held liable.

Mr. Kingsmill then addressed the jury for the defendants, Bell, Fairbairn and Cogginrith. He expressed the great responsibility which be

dovelling upon him, and went on to draw the attention of the jury to the constitution of the Company as shown by the articles. He held that by them the powers, authorities and duties generally given to the directors of companies were in this case put upon the most exact test. He contended that a lengthened series of authorities went to show that an element of fraud must be both that a misrepresentation had been made either knowingly or with such gross negligence as leads to the inference that he was acting fraudulently in making such statement. With reference to an innocent representation which may amount to fraud, he drew the distinction between frauds where there is an intention to mislead, and what is called quiet frauds where there is ignorance on the part of the person making the representation. In the latter case a man is entitled to a reasonable belief in his own honesty, and if it appears from the contract, and in a misrepresentation which is innocent, the person who has been misled by a third party is entitled to stand in the same position as the person misled. In all cases the parties are entitled to rescission of contract, but they do not constitute a claim for damages. The learned Counsel argued at considerable length upon these points, exhibiting authorities to support it.

His Lordship however suggested that the fraud might be established so as to make a third-party liable if he was ignorant of something which a reasonable man in his position ought to know.

Mr. Kingsmill quoted the judgment of Lord Atchley in the case of "Jackson v. Turquand," to show that a misrepresentation made by directors such as to make them liable must be made with such a degree of carelessness and ignorance as to amount to a necessary implication of knowledge on their part of the representations being false.

"His Lordship having noted the case, Mr. Kingsmill proceeded with his arguments, and quoted "Taylor v. Ashton," in which, although gross negligence was shown by the directors, a verdict was given for defendants and the decision was upheld. He argued that negligence, which was not so gross as to lead to the unavoidable inference of an intent to deceive, would make the defendants liable; and he called attention to the fact that direct intention to mislead and deceive were imputed in the petition—and this had to be established. The words must be taken in their legal acceptation, because it is only on their legal acceptance that the plaintiff could recover. A misrepresentation to make the defendants liable must be made with the intention to deceive and must be either communicated directly to the party deceived, or be communicated to some other with the direct object of its being repeated to him. The case was narrowed down to the simple question of whether there was wilful falsehood. Granting that some allusion to the losses ought to have been made in the report, was the absence of such allusion a ground for finding the defendants guilty of fraudulent misrepresentation to Mr. Whittall, intended to be conveyed to him in such a way that he should act upon it. The report was not that the directors—a point to which he might have to allude by-and-by—if he should produce evidence upon it. The honest staff could be urged against them was pressing. They could be urged of the loss *sub aliquid*. The better taking measures to increase the price—had hopes of putting off footing such hopes—light entered—who did not find a from first to last redning hat once, ants saffants are in ine was con- our—that great onvocate better than act perfectly by hints which were unreasonable. Other com- dustry, but were not at once ed, and these reap ought not to be, because they did not say plump "We have lost \$10,000"—and that was all—while there was reason to hope for better things for future shipments. Whether the whole question was whether they were bound in the document put before the shareholders—or were they doing what they knew to be deceitful, and doing what they did in order to deprive Mr. Whittall, who was the only person who could be affected by it, and with reference to the particular matter of this contract? The learned Counsel then entered upon the facts in detail. He urged that the Refinery Company, themselves had actually allowed 60 cents as the value of a lot of the rum. How then could Mr. Whittall come forward and accuse the directors of fraud, because they had not mentioned that a portion of the shipments had sold at 1s. 6d.? That was obviously an exceptional rate consequent upon special circumstances. As a matter of fact in nine months the price of rum went up to 2s. 4d. What would have been the result if the Company if molasses had continued to be supplied, and the price was paid at 27 cents? On the basis of the working of one month this year he showed that with the increased price at home and reduced cost of production, a profit would be made in three months of \$8,000 to the Company. This might not possibly have been fully realized; but it would be shown in evidence that it was a reasonable and probable expectation, such as showed the bona fides with which the directors were acting in hoping that the Company might be carried on successfully. With the evidence already before the jury, and such as it might be necessary to produce he thought they would come to the conclusion that there was absolutely no want of bona fides—but that the defendants hoped to carry the concern on—a fact which was strongly evidenced by the fact that they bought up such shares as were obtainable themselves, evidently hoping that there would be every chance of the Company's position materially improving.

The Court here adjourned to 10 a.m. on Saturday next.

Mr. Russell told the Indian that it was intended he wanted to get the credit himself.

F. C. Campbell said he was sent to Castle and in company with last witnesses, and saw the burner was taken away from lamp No. 2.

Q. He found a little quicker on the bottom glass of the lamp.

A. Quicker on the burner the defendant was arrested, he led to the carriage, at the back of the Tank, and a quantity of quicksilver scattered about amongst the grass and on the ground. He had heard at several similar burners had lately been stolen.

Mr. Thomas Donald, superintendent of the Gas Works, said he was instructed by Mr. Newton to go to the Central station and remove the property, as he had received information that the man had been arrested in possession of it. He went there and identified it, and afterwards returned the lamp. The company repairs all lamps.

Mr. Newton said the contract with the Gas Company was to supply gas, and keep the lamps in repair—namely, fair wear and tear. He did not consider that if a lamp-pot was knocked down by a carriage it should be repaired at the company's expense, though they repaired the lamps when the burners were stolen, rather than have any trouble about the matter. One night 21 regulators in rotation were stolen from Robinson Road.

Witness, resuming evidence, said the regulators were worth \$3 each, and the labour, &c., to replace the same would be \$1.50 additional.

Defendant said he was simply walking along the road, and never had the burner in his possession nor did he throw it on the ground. He was a street carrier, residing in Tapingsham, having carried a gentleman from Pokhillum to the station. He simply went at 5 a.m. to his hat which he had left behind.

A. A lamplighter to the Company, named Williams, saw, deposed to putting on the lamp at 15 a.m., and leaving the burner there all night.

Defendant was told that he was convicted of the unlawful possession of the burner, and said if he proved that he actually did steal the burner, he would have been sent to the lamp-house and flogged. There was a double purpose in taking this burner, namely, to get possession of it, and to leave the place in darkness so as to enable him to rob houses at night.

He was then fined \$10; or in default three months' hard labour, at the end of which time he was to find security in two sureties of \$25 each for three months more.

THE CASE OF THE CHINESE.

Three Chinese, named Muk-ee-ah, an informer, Lee-nam, a chair-coolie, and Kwan-tat, a coolie, were charged by District Watchman 11 with fighting in Second-street.

It appeared from the evidence that the first and third defendants were the combatants, and meeting in a woman's house, and each was jealous of the other.

The first defendant was sent to three months' hard labour as a rogue and vagabond, and ordered to find security in two sureties of \$25 each for three months; the second defendant was discharged; and the third defendant was ordered to three months' hard labour, and fined \$5, or 14 days' extra hard labour. The woman Lai, who was the cause of the quarrel, was ordered to give security of \$25 to be of good behaviour for three months.

BEFORE THE HON. C. JAY.
LANE OBSTRUCTIONS.

The case in which the proprietor of No. 2, Sung-hing street, was summoned by Inspector Grimes for obstructing the street by having a gate erected at each end, came on again.

Mr. Wotton appeared for the defendant, and Mr. Sharp, the Crown solicitor, appeared for the prosecution.

James Henry Grimes said his complaint was that the defendant had stopped the thoroughfare of Sung-hing street by closing the gates at each end of the lane. The lane passes through from the Queen's Road West to the Praya. The lane is about 100 yards long, and about twelve feet broad. There were eighteen houses on each side, the houses opening into the lane, and being occupied. The defendant is occupant of No. 2, down which, which is nearest the entrance to the lane from the Praya, and he closed the gate in the latter end of May, leaving a small wicket gate open during the day, but closing it entirely until daylight, from which time the wicket gates were closed on. There was a small painted board at each end of the lane inscribed in black letters "no thoroughfare." The boards were put up on the latter part of May. No such boards existed before that day, during his residence in the lane. He knew that two men were apprehended on the 6th of May charged with obstructing the lane and assaulting a policeman in the execution of his duty. The two men were convicted, and it was after this that the gates were closed, and the notice boards "no thoroughfare" put up. The wicket gates are large enough to admit a person to pass through but not sufficiently large to allow a sedan chair to pass. He had known the lane since the year 1865, as Sun-bing lane. It is a straight lane, and some of the shops are raton shops, a Chandler's shop, and others used by the Chinese, the goods being exposed for sale in the usual way. The lane has been closed during the night previous to May last. It was difficult for the police to get into the lane after 9 p.m.

In reply to Mr. Wotton, witness said he never noticed an inscription in Chinese on boards at each end of the lane. He had passed through the lane before and after 9 o'clock, but in the latter case knocked at the gate for the watchman to open. On the gates were Chinese characters proceeding from the lane, he had difficulty in getting admission. He had noticed lamps hanging outside the shops. The lane is paved with granite.

James Collins, the chief clerk of the Court, said he had resided in the Colony since 1842, but he had no knowledge of Sung-bing-lane.

Lee-sing said he was a clerk in the office of the Registrar-General. He had knowledge of Sung-bing-lane in 1867. The registered owner was En-hup Tak-wong, master of the Wai-loong shop. He knew the defendant by sight. He knew Sung-bing-street to be a thoroughfare throughout the day, but he saw the gates closed at 10 o'clock, so that no person could pass through. He had not made observation of the lane for some months past.

G. L. Tomlin, clerk of the Registry, said he produced a counterpart of the lease of marine lot No. 81, dated 23rd December, 1877, with an endorsement thereof dated August 18, 1864, extending the area. The lessee was En-hup Tak-luk.

In reply to Mr. Wotton, witness produced the lease plan of the adjoining lots to marine lot 81. The boundary of lot 105, the adjoining lot to No. 81 Westward, was 62 feet North, 62 feet South, and 300 feet on the East and West sides. From that he knew the Western lot of marine lot No. 81 was 300 feet. There was no lane marked as existing on lot No. 81 at that time, but there was a determination as of a house occupying the area of lot 81, abutting on the Queen's Road. He saw by the occupant of the crown lease that the boundary of the lot was 62 feet North and South, was 73 feet East, and East and West 300 feet, and measured in superficial feet 21,900. He had before him the plan of Victoria made by the Assistant Surveyor-General in 1867. This was recognized in the land office. He saw there that Gilman-street was colored yellow, indicating that it was a public street. He knew that the ground to make that street was resumed by Government from the lessee. On the same plan he saw that there was a lane passing through marine lot 81 from Queen's Road to the Praya. That is not colored indicating that it is not public property. He took notice of marine lot No. 22, that there was a lane marked passing through that lot. The lane is colored. He knew that there a special right of way was reserved by the Government to the Crown lease to form a public road.

Re-examined by Mr. Sharp. He observed that there were three lanes on either side of Gilman-street. These lanes are not colored, therefore they form part of the lot through which they pass. He noticed that there was a lane passing through marine lot 54, called Wing-on-lane. It is not colored, and the lane runs from Queen's Road Central to the Praya Central.

Lee-uh-sung, registrar, said he produced the leasehold register.

The Chinese clerk of the Registrar-General's office said in answer to Mr. Wotton that the name was called Sung-hing street. He never saw a notice up prohibiting a thoroughfare.

On being asked if the name was the registered owner of the lot and lot No. 81. The defendant is tenant of the lot and lot No. 81, paying rent by the month, and only occupies one room in the lot. There was a street passing through the lot called Sung-bing street, leading from the Queen's Road to the water street. He made the street for the convenience of the occupants of the houses. He had a gate at each end. He was not in the colony when the gates were put up. He and his family lived in the street. He did not give any

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